

Biotech (Pictet) – LU0112497283

OFFENLEGUNG GEMÄSS ARTIKEL 6 und 9

DER VERORDNUNG (EU) 2019/2088 ÜBER NACHHALTIGKEITSBEZOGENE OFFENLEGUNGSPFLICHTEN IM FINANZDIENSTLEISTUNGSSEKTOR

A. Klassifizierung

Wir dürfen darauf hinweisen, dass die Einbeziehung von Nachhaltigkeitsrisiken, die Bewertung der zu erwartenden Auswirkungen von Nachhaltigkeitsrisiken sowie die Berücksichtigung von nachteiligen Nachhaltigkeitsauswirkungen des gewählten Investmentfonds, **Pictet - Biotech**, durch die Kapitalanlagegesellschaft erfolgt.

Um die entsprechenden Informationen in Ihren Entscheidungsprozess miteinbeziehen zu können, verweist die APK Versicherung auf die produktspezifischen Offenlegungen auf der Website der Kapitalanlagegesellschaft.

Der gegenständlich zugrundeliegend Investmentfonds Pictet - Biotech entspricht laut Klassifizierung der Kapitalanlagegesellschaft Pictet Asset Management (Europe) S.A. einem Finanzprodukt im Sinne von **Artikel 9** der Offenlegungs-VO.

Im Anhang sowie unter folgenden Links sind die produktspezifischen Offenlegungen abrufbar: <https://documents.am.pictet/library/en/funds/at/institutional?query=Biotech+-+I+USD&languages=de>
[Nachhaltigkeit - Pictet Asset Management \(am.pictet\)](#), [Fonds - Pictet Asset Management](#); alle regulatorischen Dokumente <https://documents.am.pictet/library> (Stand 03.01.2023).

B. Allgemeines

Die Verordnung (EU) 2019/2088 des Europäischen Parlaments und des Rates vom 27. November 2019 über nachhaltigkeitsbezogene Offenlegungspflichten im Finanzdienstleistungssektor (**Offenlegungs-VO**) ist seit 10. März 2021 anwendbar. Die Offenlegungs-VO sieht einen harmonisierten Ansatz in Bezug auf nachhaltigkeitsbezogene Offenlegungen für Anleger im Finanzdienstleistungssektor des EWR vor und soll mehr Transparenz darüber schaffen, wie die einzelnen Finanzmarktteilnehmer Nachhaltigkeitsrisiken in ihre Anlageentscheidungen integrieren und negative Nachhaltigkeitsauswirkungen im Anlageprozess berücksichtigen.

Die Taxonomie-VO (Verordnung (EU) 2020/852) enthält die Kriterien zur Bestimmung, ob eine Wirtschaftstätigkeit als ökologisch nachhaltig einzustufen ist, um damit den Grad der ökologischen Nachhaltigkeit einer Investition ermitteln zu können. Die Taxonomie-VO ist ab 1.1.2022 anwendbar und richtet sich an Finanzmarktteilnehmer und schafft mehr Transparenz in vorvertraglichen Informationen und regelmäßigen Berichten (Art 5 bis 7 der Taxonomie-VO).

Für die Zwecke der Offenlegungs-VO erfüllen wir als Versicherungsunternehmen die Kriterien eines "Finanzmarktteilnehmers", während jeder von uns angebotene Fonds als ein "Finanzprodukt" eingestuft wird.

C. Begriffsdefinitionen

1. **Offenlegungsverordnung:** Die Offenlegungsverordnung oder SFDR bezeichnet die Verordnung (EU) 2019/2088 des Europäischen Parlaments und des Rates vom 27. November 2019 über nachhaltigkeitsbezogene Offenlegungspflichten im Finanzdienstleistungssektor in der jeweils gültigen Fassung.
2. **Finanzprodukt im Sinne von Artikel 6 der Offenlegungs-VO:** sonstige bzw. „konventionelle“ Finanzprodukte, mit denen keine nachhaltige Investition angestrebt und keine ökologischen oder sozialen Merkmale beworben werden. Für diese Produkte gibt es, anders als bei hell- und dunkelgrünen Produkten, keine zusätzlichen Offenlegungspflichten in vorvertraglichen Dokumenten, regelmäßigen Reportings und auf der Website.
3. **Finanzprodukt im Sinne von Artikel 8 der Offenlegungs-VO:** ein Finanzprodukt, mit dem unter anderem ökologische oder soziale Merkmale oder eine Kombination aus diesen Merkmalen beworben werden, sofern die Unternehmen, in die investiert wird, Verfahrensweisen einer guten Unternehmensführung anwenden.¹ Diese Finanzprodukte berücksichtigen ESG-Merkmale, jedoch nicht in der Intensität von Finanzprodukten iSv Artikel 9 der Offenlegungs-VO. Diese Produkte werden häufig auch als „hellgrüne“ Produkte bezeichnet.
4. **Finanzprodukt im Sinne von Artikel 9 der Offenlegungs-VO:** ein Finanzprodukt, mit dem eine nachhaltige Investition angestrebt wird.² Diese Produkte besitzen also ein angestrebtes Nachhaltigkeitsziel (zB die Reduktion von CO2 Emissionen) und leisten somit einen aktiven Beitrag zu mehr Nachhaltigkeit. Sie werden auch als „dunkelgrüne“ Produkte bezeichnet.
5. **Nachhaltigkeitsrisiko:** Nachhaltigkeitsrisiken sind Ereignisse oder Bedingungen in den Bereichen Umwelt, Soziales oder Unternehmensführung, deren Eintreten tatsächlich oder potenziell wesentliche negative Auswirkungen auf den Wert der Investition haben könnte.³
6. **Nachhaltigkeitsfaktoren:** Umwelt-, Sozial- und Arbeitnehmerbelange, die Achtung der Menschenrechte und die Bekämpfung von Korruption und Bestechung.⁴
7. **ESG:** Umwelt-, Sozial- und Arbeitnehmerbelange.
8. **"nachhaltige Investition":** eine Investition in eine wirtschaftliche Tätigkeit, die zur Erreichung eines Umweltziels beiträgt, gemessen beispielsweise an Schlüsselindikatoren für Ressourceneffizienz bei der Nutzung von Energie, erneuerbarer Energie, Rohstoffen, Wasser und Boden, für die Abfallerzeugung, und Treibhausgasemissionen oder für die Auswirkungen auf die biologische Vielfalt und die Kreislaufwirtschaft, oder eine Investition in eine wirtschaftliche Tätigkeit, die zur Erreichung eines sozialen Ziels beiträgt, insbesondere eine Investition, die zur Bekämpfung von Ungleichheiten beiträgt oder den sozialen Zusammenhalt, die soziale Integration und die Arbeitsbeziehungen fördert oder eine Investition in Humankapital oder zugunsten wirtschaftlich oder sozial benachteiligter Bevölkerungsgruppen, vorausgesetzt, dass diese Investitionen keines dieser Ziele erheblich beeinträchtigen und die Unternehmen, in die investiert wird, Verfahrensweisen einer guten Unternehmensführung anwenden, insbesondere bei soliden Managementstrukturen, den Beziehungen zu den Arbeitnehmern, der Vergütung von Mitarbeitern sowie der Einhaltung der Steuervorschriften.⁵

¹ Art 8 Offenlegungs-VO

² Art 9 Offenlegungs-VO

³ Art 2 Z 22 Offenlegungs-VO

⁴ Art 2 Z 24 Offenlegungs-VO

⁵ Art 2 Z 17 Offenlegungs-VO.

Product name: **Pictet - Biotech**

Legal entity identifier: **549300HEJK1QY30BWK41**

Sustainable investment objective

<p>Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good Governance practices.</p> <p>The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.</p>	Does this financial product have a sustainable investment objective?	
	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> <input type="checkbox"/> No
<input checked="" type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: 0%	<input type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective 	
<input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments	
<input checked="" type="checkbox"/> It will make a minimum of sustainable investments with a social objective: 30%		

Note: Sustainable investment figures are calculated by counting fully issuers that have a significant exposure to economic activities that contribute to environmental or social objectives and, where relevant to the asset class, exposure to environmental or social labelled bonds. Labelled bonds are fully counted as sustainable investments.



What is the sustainable investment objective of this financial product?

Main ways in which the fund seeks to achieve its sustainable objective:

- **Positive impact:**

The fund seeks to achieve a positive social impact by investing at least two-thirds of its total assets/total wealth in companies supporting the health of people with high innovation capacity. Better therapies can deliver true value to patients and healthcare systems alike. These companies are tackling high unmet medical needs and reduce the pressures on healthcare budgets through the reduction of hospital admissions or symptom management.

The fund invests mainly in companies whose significant proportion of their activities are related to new mechanisms of actions offering potential cures or management of diseases that were hard to treat before, technology platforms, research tools and services in the biotechnology value chain as well as the improvement of therapies or drugs and other relevant economic activities.

This is achieved by investing in securities financing economic activities that substantially contribute to social objectives such as:

Social

- inclusive and sustainable communities
- adequate living standards and well-being for end users, or
- decent work

Eligible securities include equities issued by companies with a significant proportion of activities (as measured by revenue, EBIT, enterprise value or similar metrics) derived from such economic activities.

- **Norms- and values-based exclusions:**

The fund excludes issuers that are in severe breach of international norms or have significant activities with adverse impacts on society or the environment.

- **Active ownership:**

The fund methodically exercises its voting rights. The fund may also engage with the management of companies on material ESG issues and may discontinue investment if progress proves unsatisfactory.

- ▶ See also: “What investment strategy does this financial product follow?” and “Does this financial product consider principal adverse impacts on sustainability factors?”.

- **What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?**

Indicators the fund uses include:

- exposure to companies that derive a significant proportion of revenue, EBIT, enterprise value or similar metrics from economic activities that contribute to environmental or social objectives
- exposure to revenues from economic activities that contribute to environmental and/ or social objectives
- overall ESG profile
- Principle Adverse Impact (PAI) indicators such as exposure to issuers that are in severe breach of international norms or have significant activities with adverse E/S impacts on society or the environment
- percentage of eligible company meetings where voting rights were exercised

- **How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?**

The fund considers an investment sustainable if it does no significant harm to any E/S objective, which the investment team determines by using a combination of quantitative and qualitative assessments at issuer level. The assessments draw on both general and industry-relevant indicators, and include exposure to material sustainability risks. Periodic reviews and risk controls are in place to monitor implementation.

- *How have the indicators for adverse impacts on sustainability factors been taken into account?*

The fund considers and, where possible mitigates adverse impacts of its investments on society and the environment through a combination of portfolio management decisions, active ownership activities, and exclusion of issuers associated with controversial conduct or activities.

- *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

The fund excludes issuers that are subject to severe controversies in areas such as human rights, labour standards, environmental protection and anti-corruption.

Does this financial product consider principal adverse impacts on sustainability factors?

Yes, the fund considers and, where possible, mitigates adverse impacts of its investments on society and the environment that are deemed material to the investment strategy through a combination of portfolio management decisions, active ownership activities, and exclusion of issuers associated with controversial conduct or activities.

Please refer to Pictet Asset Management's Responsible Investment policy for the list of PAIs.

- ▶ See also detailed information on exclusions in Pictet Asset Management’s Responsible Investment policy.

No

What investment strategy does this financial product follow?

Objective:

To increase the value of your investment while seeking to achieve a positive social impact.

Reference index:

MSCI AC World (USD), an index that does not take into account environmental, social and governance (ESG) factors. Used for risk monitoring, performance objective and performance measurement.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.



The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

Portfolio assets:

The fund mainly invests in equities of companies operating in the medical biotechnology sector. The fund may invest worldwide, including in emerging markets and Mainland China, although most of investments are concentrated in the United States of America and Western Europe.

Derivatives and structured products:

The fund may use derivatives to reduce various risks (hedging) and for efficient portfolio management, and may use structured products to gain exposure to portfolio assets.

Investment process:

In actively managing the fund, the investment manager uses a combination of market and fundamental company analysis to select securities that it believes offer favourable growth prospects at a reasonable price. The investment manager considers ESG factors a core element of its strategy by seeking to invest mainly in economic activities that contribute to a social objective whilst avoiding activities that adversely affect society or the environment. Voting rights are methodically exercised and there may be engagement with companies to positively influence ESG practices. For further information, please refer to our exclusion framework in the Responsible Investment policy, SFDR product category Article 9. The portfolio composition is not constrained relative to the benchmark, so the similarity of the fund's performance to that of the benchmark may vary.

Fund currency:

USD

► See also: “What is the sustainable investment objective of this financial product?” and “Investment Policy” in the fund’s prospectus.

● **What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?**

The fund’s binding elements include:

- at least 80% of sustainable investments, i.e. investments in companies that have a significant exposure to activities such as new mechanisms of actions offering potential cures or management of diseases that were hard to treat before, technology platforms, research tools and services in the biotechnology value chain as well as the improvement of therapies or drugs and other relevant economic activities (as measured by revenue, enterprise value, earnings before interest and tax, or similar)
- exclusion of issuers that:
 - are involved in the production of controversial weapons including anti-personnel mines, cluster munitions, biological and chemical weapons, nuclear weapons and depleted uranium
 - derive a significant portion of their revenue from activities detrimental to society or the environment, such as thermal coal extraction and power generation, unconventional oil and gas exploration and production, conventional oil and gas production, nuclear power generation, conventional weapons and small arms, military contracting weapons and weapon-related products and services, tobacco production, adult entertainment production, gambling operations, genetically modified organisms development/growth, pesticides product/retail. Please refer to Pictet Asset Management's Responsible Investment policy for further details on exclusion thresholds applicable to the above activities.
 - severely violate international norms including the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption
- a better ESG profile than the reference index
- ESG criteria analysis of eligible securities that covers at least 90% of net assets or the number of issuers in the portfolio

To ensure ongoing compliance, the fund monitors the ESG profile of all securities and issuers that form part of the minimum percentage of sustainable investments stated in “What is the asset allocation planned for this financial product?”. The fund draws on information from various sources, such as proprietary fundamental analysis, ESG research providers, third-party analyses (including those from brokers), credit rating services and financial and general media. Based on this information, the investment manager may decide to add or discontinue certain securities or increase or decrease its holdings in certain securities.

See also: “What investment strategy does this financial product follow?” and “Does this financial product consider principal adverse impacts on sustainability factors?”.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

● **What is the policy to assess good governance practices of the investee companies?**

The fund assesses company decision-making processes and controls, as well as how management balances the interests of shareholders, employees, suppliers, customers, the community and other stakeholders. Assessed areas may include:

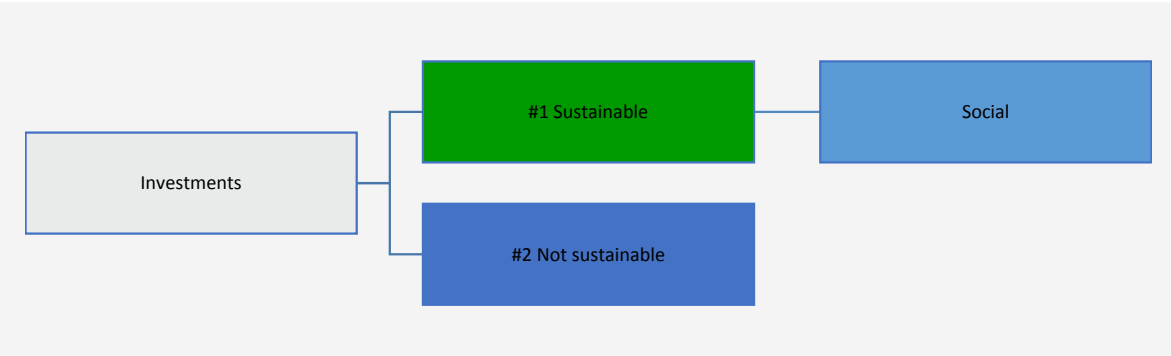
- the composition of the executive team and board of directors, including the experience, diversity and distribution of roles, along with succession planning and board evaluation
- executive remuneration, including short term and long term incentives and their alignment with investor interests
- risk control and reporting, including auditor independence and tenure
- shareholder rights, including one-share-one-vote and related-party transactions



What is the asset allocation and the minimum share of sustainable investments?

Asset allocation describes the share of investments in specific assets.

The fund allocates at least 80% of its assets to Sustainable investments (#1 Sustainable) and up to 20% to Not sustainable investments (#2 Not sustainable). At least 30% of its assets is allocated to social objectives.



- #1 Sustainable covers sustainable investments with environmental or social objectives.
- #2 Not sustainable includes investments which do not qualify as sustainable investments.

- Sustainable investment figures are calculated by counting fully issuers that have a significant exposure to economic activities that contribute to environmental or social objectives and, where relevant to the asset class, exposure to environmental or social labelled bonds. Labelled bonds are fully counted as sustainable investments.
- Whilst the fund includes achieving a positive environmental or social objective, its investment policy does not target specifically investments with climate change mitigation and climate change adaptation objectives as defined by the technical screening criteria of the Taxonomy Regulation.
- In the absence of an EU social taxonomy, Pictet has developed a proprietary social taxonomy framework based on the objectives suggested in the Report on Social Taxonomy published by the EU Platform on Sustainable Finance; eligible activities are defined as economic activities that provide socially beneficial goods and services that enable one of the following three categories: (1) inclusive and sustainable communities, (2) adequate living standards and well-being for end users and (3) decent work.

● **How does the use of derivatives attain the sustainable investment objective?**

The fund does not use derivatives to achieve its sustainable investment objective. However, exclusions are applied to all types of securities (equities, bonds, convertible bonds) issued by excluded entities, including participation notes and derivatives issued by third parties on such securities.

- ▶ See also: "What investment strategy does this financial product follow?".



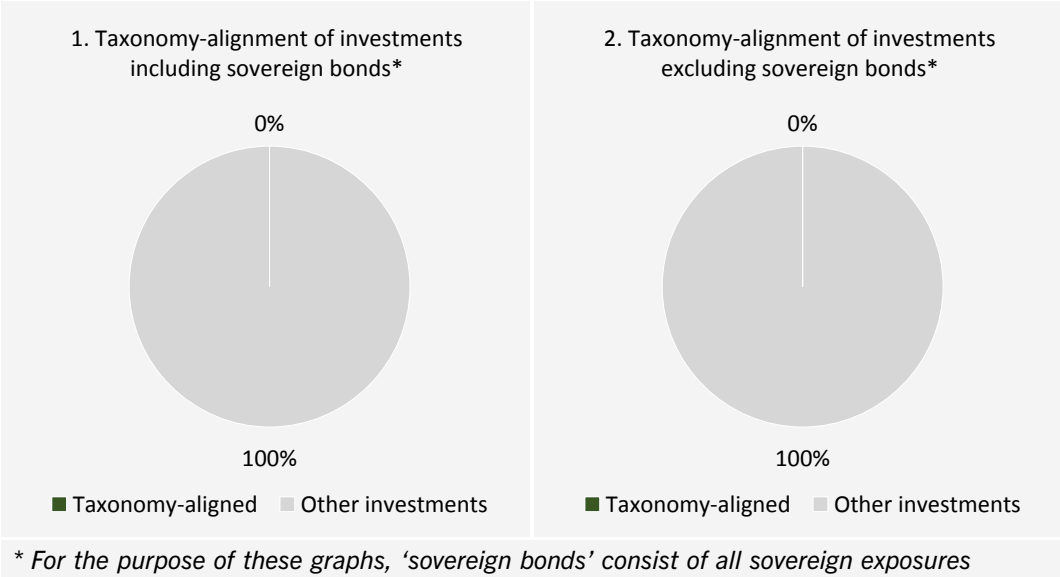
To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Taxonomy-aligned activities are expressed as a share of:

- turnover reflecting the share of revenue from green activities of investee companies
- capital expenditure (CapEx) showing the green investments made by investee companies,

The two graphs below show in blue the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.

e.g. for a transition to a green economy.
 - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

● **What is the minimum share of investments in transitional and enabling activities?**

0%
 The fund does not have a minimum share of investments in transitional and enabling activities, as it does not commit to a minimum proportion of environmentally sustainable investments aligned with the EU Taxonomy.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective is 0%. While the fund does not explicitly target a minimum investment in environmental objectives, the fund may invest in companies with an environmental objective. The sum of investments with a social and environmental objective will be at least 80%

are environmentally sustainable investments that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What is the minimum share of sustainable investments with a social objective?

The minimum share of sustainable investments with a social objective is 30%. The sum of investments with a social and environmental objective will be at least 80%.



What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?

The fund’s “not sustainable” investments include:

- derivatives and cash positions

Where relevant, minimum environmental or social safeguards apply to the underlying securities.

► See also: “What investment strategy does this financial product follow?”.



Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

No specific ESG index has been designated.

- **How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?**
Not applicable
- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**
Not applicable
- **How does the designated index differ from a relevant broad market index?**
Not applicable
- **Where can the methodology used for the calculation of the designated index be found?**
Not applicable



Where can I find more product specific information online?

More product-specific information can be found on the website:

<https://am.pictet/en/luxembourg/individual/funds/pictet-biotech/LU0090689299#esgDisclosures>

Pictet Asset Management's Responsible Investment policy:

<https://am.pictet/-/media/pam/pam-common-gallery/pictet-asset-management/responsible-investment-policy.pdf>